

**Bristol, Clifton and West of England
Zoological Society Limited**

**Annual Report and Financial Statements
for the year ended 31 December 2022**

Registered Charity Number: 1104986

Registered Company Number: 5154176

Bristol, Clifton and West of England Zoological Society Limited

Report of the Trustees

The Trustees, who are also the directors of the company for the purposes of the Companies Act 2006, present their annual report and the audited consolidated financial statements for the year ended 31 December 2022.

Reference and administrative information

Trustees elected by the members

Charlotte Moar – Chair of Trustees until 22 May 2023

Victoria Ash

Christopher Booy OBE

David Esam – Chair of Trustees from 22 May 2023

Sarah Fuller

Peaches Golding OBE CStJ

Andrew Martyn-Johns

Dr Jane Smart – appointed 1 October 2022

Professor Judith Squires – nominated by the University of Bristol, appointed 19 July 2022

Professor Steven West – nominated by the University of the West of England, appointed 23 June 2022

Emma Woollett – appointed 20 July 2022

Claire Ladkin – retired 23 June 2022

Professor Richard Pancost – nominated by the University of Bristol – retired 18 July 2022

Professor Sheila Pankhurst – retired 12 December 2022

Professor Olena Doran – nominated by the University of the West of England – retired 23 June 2022

Membership of Committees

The following Committees and attendees were in place at the year end:

	A: Attendee	C: Chair	M: Member			
	Board of Trustees	Finance, Risk and Audit Committee (FRAC)	People Committee (PC)	Transformation Programme Board (TPB)	Bristol Zoo Enterprises Ltd Board of Directors	
Trustees						
Charlotte Moar	C	M	M	M		C
Victoria Ash	M		M			M
Christopher Booy	M		M	C		M
David Esam	M	M	C			M
Sarah Fuller	M					M
Peaches Golding	M					M
Andrew Martyn-Johns	M	C	M	M		M
Claire Ladkin (1)	M	M		M		M
Prof Richard Pancost (3)	M					M
Prof Sheila Pankhurst (4)	M		M	M		M
Prof Olena Doran (2)	M					M
Dr Jane Smart (5)	M					M
Prof Judith Squires (6)	M					M
Prof Steven West (7)	M					M
Emma Woollett (8)	M	M				M
Employees						
Dr Justin Morris	A	A	A	A		M
Angela Mather	A	A	A	A		A
Brian Zimmerman	A					A
Francesca Fryer	A			A		A
Michael Coe	A					A
Hannah Windross	A					A
Others						
William Marshall				M		
Martin White				M		
John Rudge				M		
Paul Coombs		M				
Katy Gullon		M				

(1) Retired 23 June 2022

(2) Retired 23 June 2022

(3) Retired 18 July 2022

(4) Retired 12 December 2022

(5) Appointed 1 October 2022

(6) Appointed 19 July 2022

(7) Appointed 23 June 2022

(8) Appointed 20 July 2022

Bristol, Clifton and West of England Zoological Society Limited

Report of the Trustees (continued)

Following a review of the Society's governance structure, the Finance and Business Committee, Audit and Risk Committee and Conservation, Ethics and Sustainability Committee were merged in June 2022 to form the Finance, Risk and Audit Committee. The members of those Committees from 1 January 2022 to 31 May 2022 were:

Finance and Business Committee

- Victoria Ash (chair)
- Charlotte Moar
- Sarah Fuller
- Laura Fogg-Rogers

Audit and Risk Committee

- Andrew Martyn-Johns (chair)
- David Esam
- Claire Ladkin
- Emma Wollett
- Paul Coombs
- Katy Gullon

Conservation, Ethics and Sustainability Committee

- Prof Sheila Pankhurst (chair)
- David Esam
- Prof Richard Pancost
- Prof Olena Doran
- Prof Michael Bruford
- Mr Mhairi Gibson
- Prof Michael Mendl
- Prof Frank Smith

In addition to the above, the Trustees for the Bristol Zoo Retirement and Death Benefit Scheme pension scheme comprises of Professor Rob Cuthbert (Chair), Richard Clarke, William Marshall, Leigh Callaghan, Simon Garrett (employee representative) and Philip Jearey (employee representative). Andrew Martyn-Johns, Dr Justin Morris and Angela Mather attend the meetings as employer representatives.

Chief Executive

Dr Justin Morris

Executive Team

Angela Mather	Director of Finance and Corporate Services
Brian Zimmerman	Director of Conservation and Science
Francesca Fryer	Director of Estates
Michael Coe	Commercial Director
Hannah Windross	Director of People & Public Engagement

Company Secretary

Angela Mather

Registered address

Bristol Zoo Gardens
Guthrie Road
Clifton
Bristol, BS8 3HA

Advisers

Solicitors

Osborne Clarke
2 Temple Back East, Temple Quay
Bristol, BS1 6EG

Bankers

HSBC Bank plc
3 Temple Quay
Bristol, BS1 6DZ

Independent Auditors

Moore
Chartered Accountants and Statutory Auditors
30 Gay Street
Bath, BA1 2PA

Bristol, Clifton and West of England Zoological Society Limited (the 'Society') is a company limited by shares. The company registration number is 5154176 and it is registered as a charity in England & Wales, charity number 1104986.

Bristol, Clifton and West of England Zoological Society Limited

Report of the Trustees (continued)

Charitable Objects, Mission and Vision

The Society's Charitable Objects are to advance:

- a) the public understanding and the conservation of wildlife and the natural environment, and
- b) the scientific study of plants and animals.

The Society's Mission is *Saving Wildlife Together* with the vision for wildlife to be part of everyone's lives and for people to want to, and be enabled to, protect wildlife now and for the future. The Society's principal activities are (a) the operation and ongoing development of Wild Place Project ('WPP') as a centre for wildlife conservation and as a popular visitor attraction which educates and entertains the public, (b) research and conservation work carried out in the field, and (c) the provision of Higher Education courses.

Public Benefit

The Trustees confirm that they have complied with the duty in the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

The Trustees believe that the carrying out of the aims of the Society provides a public benefit in a number of areas, including the provision of education and of facilities for recreation and the conservation of endangered species. They also believe that the degree of public access is sufficient for the Society's aims to be carried out for the public benefit. The main activities during the year have been the operation of Bristol Zoo Gardens and Wild Place Project, and when setting admission prices, due regard is paid to enabling as many members of the public as possible to benefit from the facilities. A range of discounted admission prices are available for students, school groups, and people with disabilities etc. The Society also offers other schemes, such as volunteering and the provision of outreach, which will benefit those who would ordinarily be unable to afford access. While Bristol Zoo Gardens closed to visitors on the 3 September, it remains in use for education purposes with Higher Education teaching continuing to be based at the site.

The Strategic Report contains a fuller description of the public benefit that the Society provides.

Strategic Report

Our objectives and achievements for 2022

The highlights and milestones for 2022 as a context in which to view the financial statements which follow were:

Saving wildlife

- During 2022 our Conservation Team restarted their activities in the field, paused during the coronavirus pandemic, securing a number of successes.
- In Ankarafa, North West Madagascar we continued our conservation and reforestation work while also building a new research station. The new station when complete will ensure the Society is preserving and studying Critically Endangered endemic species such as the blue-eyed black lemur.
- Conservationists from the Society worked in Cameroon to train eco-guards in Bénoué National Park to use special software on smartphones, as well as camera traps, to record illegal activities, such as cattle herding, mining and hunting.
- At the same time, a record number of animals (25,000), the majority of which were invertebrates, were moved from Bristol Zoo Gardens (BZG) to other zoos and wildlife parks around the UK and Europe. This significant animal transition plan means the Society is now ready to implement its new species plan, where 90% of species will be directly linked to the Society's conservation work - more than any other zoo in the UK.

Engaging our public

- In 2022 we welcomed a total of 326,283 visitors to BZG and 265,739 visitors to Wild Place Project (WPP). A third of which came for The Big Summer Send Off at BZG, which led up to the closure of the site on 3 September.
- Visitors to both sites directly engaged with our conservation work via our public programme. For example, our 'Conservation Heroes' which took place at both sites was designed to inspire visitors to take action, by celebrating the achievements of employees and partners who are working to save wildlife.
- To celebrate the final year at BZG, a bespoke programme of events was developed. This included the release of a new zoo inspired by poem by City Poet, Caleb Parkin, who launched a competition to inspire children to engage with wildlife by submitting their own poem.
- Expenditure for these charitable activities is recorded under the relevant site, where the work took place.

Bristol, Clifton and West of England Zoological Society Limited

Report of the Trustees (continued)

Our objectives and achievements for 2022 (continued)

Creating conservationists

- 10,595 school children visited WPP, with approximately one third participating in taught sessions. Our 'African Safari' and 'Wild about Wolves' sessions for KS1 and KS2 were particularly popular.
- 10,778 school children visited BZG, again with approximately one third participating in taught sessions, such as 'Endangered Species and Habitats' and 'Rainforest Experience' for KS1 and KS2 and 'Adaptation' for KS3.
- 395 students completed our Higher Education programmes in June 2022 with the University of Bristol, University of the West of England, and South Gloucestershire and Stroud College. 370 then started in September 2022.
- At the same time, we established our newest degree, a masters in conservation leadership with the University of the West of England. This MSc, to be launched in 2023, is the only course of its kind in the UK that offers the experience of shadowing a Conservation Project Leader for six months.
- And after August, we moved our entire volunteer programme, education programme, public engagement activities and membership scheme to WPP. While the number of volunteers reduced at the Society from 400 to 200 due to the impact of the coronavirus pandemic and the closure of the BZG site, in 2022, 216 volunteers contributed 18,464 hours, equivalent to 9.5 full-time roles.
- Expenditure for these charitable activities, including our entire Higher Education programme is recorded under the relevant site where the work takes place.

Sustaining our environment

- The closure of BZG to visitors and disposition of animals enabled the closing of a number of environmentally inefficient buildings and equipment.
- The refurbishment of the Grade II listed Hollywood Mansion House at WPP saw this important historic asset upgraded and brought into full use as the Society's new headquarters. This included investment in environmentally sustainable features such as energy-saving lighting and the re-purposing of furniture and equipment.
- In addition, the Society was one of several organisations to ask governments to recognise the vital role of inland waters and ensure they were included in the post-2020 Global Biodiversity Framework – a new framework to preserve and protect nature to 2030.

Sustaining our future

- 2022 was a very significant year for our transformation. With the closure of Bristol Zoo Gardens we relocated circa 50 employees to our new offices in Hollywood Mansion House.
- Our fundraising efforts continued to focus on the new Bristol Zoo with a significant pledge of £1.5 million received from the Garfield Weston Foundation.

Our Strategic Plan

The Society's strategy delivers on its mission of *Saving Wildlife Together* with a long-term vision for wildlife to be a part of everyone's lives and for people to want to, and be enabled to, protect wildlife now and for the future. The strategy has five objectives to be achieved by 2035:

- **Saving wildlife** – grow the proportion of species at the new Bristol Zoo with targeted conservation action to more than 90%;
- **Engaging our public** – engage and connect with more than 800,000 visitors and members per annum;
- **Creating conservationists** – engage and inspire over 90,000 school children and students per annum, the conservationists of the future;
- **Sustaining our environment** – become a carbon-neutral organisation; and
- **Sustaining our future** – develop the new Bristol Zoo through a major programme of capital investment.

Success will depend on the move of Bristol Zoo to the Wild Place Project site and the creation of a new world-class zoo for Bristol and the West of England. This includes the closure and sale of Bristol Zoo Gardens and the consolidation of the Society's activities onto one site. The new name for the combined site, will be launched in the summer 2023 as Bristol Zoo Project ('BZP'). A unique opportunity exists to deliver an environmentally sustainable zoo that redefines what a zoo should be, connecting visitors with all that the Society does as a modern conservation charity. As such, conservation research and fieldwork will connect with conservation breeding programmes, learning and medicine – combining to form an accessible education campus; while the visitor experience will be interwoven with the nature and wildlife of the landscape. From its launch, Bristol Zoo Project will be home to some of the world's most threatened species, with around 80% of species linked to the Society's conservation work – more than any other zoo in the UK and working to the long term objective of over 90%.

Bristol, Clifton and West of England Zoological Society Limited

Report of the Trustees (continued)

Our Strategic Plan (continued)

Given its long history at the forefront of the development of zoos, the Society is better placed than most to define what zoos should look like in the 21st Century. Only from these foundations will the Society be able to grow and develop the already significant conservation and education programmes, both here in the UK and across the world, while influencing policy and decision-makers to ensure a sustainable future for wildlife and people. The Society will build on existing partnerships and reach out to the diversity of audiences in Bristol and the region and be prepared to work differently with new partners, supporters and funders who share the commitment to saving wildlife together.

Significant capital investment is needed to develop Bristol Zoo Project. This will be funded through a combination of the disposal of property, philanthropic fundraising, bank funding and the use of cash reserves.

To enable the sale of the Bristol Zoo Gardens site and the movement of animals that are not relocating to Bristol Zoo Project, Bristol Zoo Gardens closed to visitors on the 3 September 2022. The project to safely close and consolidate use of the site has progressed well and the site continues to be used to facilitate Higher Education teaching and to house a number of animals, which are awaiting new accommodation to be built at Bristol Zoo Project.

The future plans for Bristol Zoo Gardens include free public use of the gardens, a children's play area, the theatre building on the main lawn to be retained for cultural and education talks, workshops and seasonal events and the iconic zoo entrance is planned to become the Clifton Conservation Hub with a public café and exhibition space. It will also become the home of the Avon Gorge and Downs Wildlife Project. Post year end on the 26 April 2023, the resolution to grant planning permission for this scheme on the Bristol Zoo Gardens site has been granted. The Society will continue to work on finalising the sale of the site and this is expected to complete during 2024.

The West Car Park planning application was approved for a second time in September 2022 by Bristol City Council's Development Control Committee, as it was brought back to Committee following concerns raised by the Clifton & Hotwells Improvement Society about the planning process. An appeal against the planning permission has subsequently been considered by the Courts and the appeal rejected in May 2023. The sale of the property completed on 30 May 2023.

The delivery of the Bristol Zoo Project is continuing with planning permission due to be sought during 2023 for the initial phases and construction due to start in 2024. The site will grow and evolve over a number of years and plans include new staff and operations hubs, new admission, retail and catering facilities, investment in site infrastructure, a Conservation Campus, including learning, medicine and breeding facilities, Central African Savannah and Central African Forests Exhibits.

In addition to the development and delivery of the Bristol Zoo Project, the main objective for 2023 will be the relaunch of Wild Place Project as Bristol Zoo Project, enhancing the visitor experience, while maintaining a continued focus on ensuring both sites operate safely for our employees, volunteers, visitors, students and animals.

Financial key performance indicators

Category	2022	2021	% change +/-
BZG total visitor numbers	326,283	313,146	+4%
BZG paid attendance	232,039	213,672	+9%
BZG admission income (exc. Gift Aid)	£3.7m	£3.1m	+19%
BZG admission income per paying guest	£15.89	£14.34	+11%
BZG day visitor catering spend per visitor	£3.71	£3.16	+17%
BZG retail spend per visitor	£2.71	£2.14	+27%

Bristol Zoo Gardens

Following a slow start to 2022 with visitor numbers still being impacted by the coronavirus pandemic, visitor numbers increased significantly during the summer school holiday period, as part of The Big Summer Send Off. While trading was therefore behind budget until June 2023, Bristol Zoo Gardens saw one-off, not repeatable, visitor numbers in the final summer due to the site's closure. As a result, with the higher visitor numbers and peak pricing in the summer holiday, admission income increased from 2021 by 19%. On a like for like basis (adjusting for the 97 day period of closure in 2021 for coronavirus and excluding the period post 3 September), the increase in admission income is 11% or £0.3m. There were also increases in both retail and catering spend per head, with visitors purchasing souvenirs and making the most of their last visits to the site before it closed.

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Report of the Trustees (continued)

Financial key performance indicators (continued)

Category	2022	2021	% change +/-
WPP total visitor numbers	265,739	224,100	+19%
WPP paid attendance	159,025	136,589	+16%
WPP admission income (exc. Gift Aid)	£2.0m	£1.6m	+25%
WPP admission income per paying visitor	£12.74	£11.91	+7%
WPP day visitor catering spend per visitor	£3.31	£2.78	+19%
WPP retail spend per visitor	£1.11	£0.94	+18%

Wild Place Project

Total visitor numbers at Wild Place Project (WPP) increased by 19% compared to 2021. 2021 included 97 days when the site was required to close due to the coronavirus pandemic, so if this period were excluded, on a like for like basis, the total visitor numbers in 2022 were 9% more. This increase in visitor numbers and pricing, led to an increase in admissions income of 25%. While the site was impacted by the strong summer trading at Bristol Zoo Gardens, the benefit of not having two competing sites in the same geographical location and the internal teams focusing on one site, was evidenced by a strong October half term period. The catering and retail spends per head also both improved year on year.

Financial results and overview for the year

Overall income in the year was £10.7m (2021: £9.8m), which is an increase against the prior year of £0.9m. Included within this total is an increase of £1.1m in unrestricted income (£10.4m versus £9.3m in 2021), which has been driven by the admission income at Bristol Zoo Gardens as part of the 'last chance to see campaign' and The Big Summer Send Off, increase in visitor income at WPP as visitors move to visiting this site once BZG had closed, and being the first year when there has been no period of closure or limits to visitor numbers from coronavirus since 2019.

Restricted income in 2022 of £0.3m related to conservation fundraising (2021: £0.4m). In 2021, restricted income included £0.1m relating to furlough grants which were not repeated in 2022.

The total expenditure for 2022 of £14.3m (2021: £11.3m) was £3.0m more than 2021. This increase reflects the costs associated with closure of Bristol Zoo Gardens including: £0.6m of operating costs for the site once it had closed to the public providing excellent welfare for animals prior to their move to new homes; a £1.1m payment required to change caterer and representing the unamortised value of their historic investment in the site; redundancy costs of £0.4m; and £0.2m of accelerated depreciation. Due to the significant nature of some of the costs, £2.4m has been separately disclosed as exceptional on the face of the Income Statement. If these costs were excluded, expenditure was £11.9m which was an increase of 5% from 2021. This relates to the increased overhead costs from inflationary impacts, increased utility costs, and increased expenditure on conservation projects. The overseas projects have been able to restart following closure during the coronavirus pandemic and therefore the Society's contribution to the costs in country and travel to the projects by Society employees has also increased.

The loss on investment properties was £0.1m (2021: gain of £0.7m on investments properties). This reflects a net adjustment to reflect the proceeds on disposal or latest sales value of properties held for sale. The Trustees have assumed no change in value for the remaining investment properties as based on current market information there has been no significant change in values during 2022.

The overall surplus on the closed defined benefit scheme has reduced during 2022 by £67,000 (2021: increase of £477,000), following a reduction in investment value and liabilities but continues to be in surplus. The overall movements have resulted in an actuarial loss in the consolidated statement of financial activities of £67,000 (2021: gain of £477,000). The Trustees are mindful the scheme could go into deficit again and the Society has continued to work with the pension Trustees to reduce the risk in the asset portfolio and better match the profile to the liabilities outturn. The results of the 2021 triennial valuation have been finalised during the year, and confirmed that there was a surplus as at 30 September 2021 of £141,000 (30 September 2018: surplus of £390,000).

Overall, the net movement in funds for the year was a loss of £3.8m as compared to a loss of £0.4m in 2021. Excluding the restricted funds, the Society had net movement in funds for the year of a loss of £3.7m (2021: loss of £0.5m). The increased loss of £3.4m is partly due to the costs of £2.4m relating to the closure of Bristol Zoo Gardens. If these were excluded the loss for the year would be £1.4m (2021: loss £0.4m). This remaining increase reflects the inflationary pressure on costs, particularly utilities, the loss recognised on investment properties and the actuarial losses relating to the pension scheme.

Bristol, Clifton and West of England Zoological Society Limited

Report of the Trustees (continued)

Principle risks and uncertainties

The principle net risks (after taking into account controls and mitigating actions) have been assessed by the Trustees as:

- achieving the sale of the land and property in Clifton, including the Bristol Zoo Gardens site, for best value;
- finalising the planning and funding for the development of the Bristol Zoo Project;
- facilitating the smooth closure and transition of people, students and animals to Bristol Zoo Project or alternative facilities while the construction of purpose built facilities is finalised;
- the challenges of running Wild Place Project during the period until the investment in new Bristol Zoo provides new facilities and exhibits;
- the need to maintain an appropriate level of cash reserves for the size and nature of the charity, taking into account the timing of property disposals and investment in Bristol Zoo Project and meanwhile activities at Wild Place Project; and
- insufficient unrestricted, undesignated reserves to support the long term investment and maintenance of Bristol Zoo Gardens and Wild Place Project.

At the strategic level, these risks are being addressed through the Strategic Plan. The optimum use of our land and property assets, increased bank facilities and philanthropic fundraising will fund the creation of the Bristol Zoo Project and our conservation strategy.

Liquidity risk and credit risk are considered to be low as most of our income is from admission income and only a small amount of our income is billed for later payment by visitors. We understand and monitor our cash inflows and outflows and only embark on large capital spend once we have reasonable certainty of the cash generated from operations or secured fundraising or borrowing in place; our overdraft facility and revolving credit facilities provides further liquid funds and we maintain fully liquid cash reserves. The Society has exposure to interest rate risk on drawn down borrowings as all are at fixed rates above LIBOR for the term of the loan.

Subsequent events

Post year end on the 26 April 2023, the resolution to grant planning permission for the scheme at the Bristol Zoo Gardens site has been granted. The Society will continue to work on finalising the sale of the site and this is expected to complete during 2024.

During May 2023, contracts were exchanged for the sale of the West Car Park site and the sale completed on 30 May 2023.

In July 2023, revised bank facilities were agreed with HSBC Bank plc. This extended the existing facilities to a £15m revolving credit facility which is in place until the sale of Bristol Zoo Gardens or June 2026 (if later).

Structure, governance and management

Governing Document

The Society is governed by its Memorandum and Articles of Association.

Recruitment and Training of Trustees

As set out in the Articles of Association, we have up to twelve Trustees, of whom two are nominated by the University of Bristol and the University of the West of England respectively. The remaining Trustees are elected by the shareholders. All Trustees serve a fixed term of three years, with a maximum of three terms.

An analysis of the complementary skills of the Trustees is carried out regularly to confirm that the Trustees have an appropriate range of expertise and skills to govern the Society and deliver the strategy. Any recruitment of new Trustees, as and when required, focuses on the skills which the Board requires. Prospective new Trustees are invited to visit both sites, meet the Chief Executive, key employees and other Trustees, and become acquainted with the culture and standards of the organisation prior to attending formal Trustee meetings.

A pack of information is made available to new Trustees. This comprises copies of the governing documents, past annual reviews, recent statutory and management accounts, minutes of Trustee meetings and other background material including relevant Charity Commission publications.

Bristol, Clifton and West of England Zoological Society Limited

Report of the Trustees (continued)

Organisational Management

The Trustees consider that the Board of Trustees, who are the Society's directors, together with the Executive Board comprise the key governance personnel of the Society, in charge of directing and controlling, running and operating the Society on a day-to-day basis. The day-to-day management is delegated to the Chief Executive and Executive Board and monitored by the Trustees through them. To facilitate effective operations, the Chief Executive has authority, within the terms of delegation approved by the Trustees, for operational matters including finance, employment and mission-related activity.

All Trustees give their time freely and no Trustee received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in note 7 and 25 to the financial statements. Trustees are asked to confirm any conflicts of interest at each meeting and in particular each Trustee has confirmed that they have no conflict of interest and will not be personally benefitting financially from the sale of the Society's property assets.

During the year under review, the Trustees met bi-monthly.

The Trustees of the charity who were in office during the year and up to the date of signing the financial statements are as shown on page 2.

The Trustees have established committees for specific areas of the Society's operations as follows: a Finance, Risk and Audit Committee, a People Committee and a Transformation Programme Board.

In accordance with the Charity Governance Code (CGC) for larger charities, the Trustees undertook an internal review of their effectiveness as a Board. A resulting action plan has been agreed by the Board and implementation is being monitored. In addition, during 2021 the Trustees engaged with Crowe UK to undertake an independent review of Governance. The report concluded that the Society complied with the Charity Governance Code and showed a number of examples of best practice. Some recommendations were made to enhance governance arrangements and the Society developed an action plan to implement these and progress against these are being regularly monitored by the Board.

These changes included a restructure of the Trustee Committees which resulted in the Finance and Business Committee, Audit and Risk Committee and Conservation, Ethics and Sustainability Committee being merged. In addition a number of Advisory Groups have then been established, which bring together specialists to share ideas and knowledge on specific areas and include a Conservation Advisory Group and Public Engagement Advisory Group. These Groups are flexible, with a mix of internal and external representatives and meet as required.

Pay policy for senior staff

The Society has a pay policy for senior staff, set and monitored by the People Committee. The pay policy is reviewed annually by the People Committee and senior staff salaries are normally increased in line with pay levels for other staff. In view of the nature of the Society, the Trustees benchmark against pay levels in other zoos and visitor attractions of a similar size run on a charitable basis. If recruitment has proven difficult, a market addition may also be paid with the pay maximum no greater than the highest benchmarked salary for a comparable role.

Group Structure and Relationships

The Society has one wholly-owned subsidiary company, Bristol Zoo Enterprises Limited (company number 1750167), established to operate the retail, catering and conferencing facilities of the Society. It has a licence to operate these facilities and gift aids its taxable profits to the Society. Together these are referred to as the Group.

The Society holds one third of the membership of Bristol Natural History Consortium, established to improve the way we communicate about the natural world through innovative public events, professional development and international dialogue. Its company registration number is 06472186 and it is registered as a charity, number 1123432.

Risk Management

The Trustees had set up an Audit & Risk Committee (met once during 2022) and from June 2022 the responsibility for risk management passed to the Finance Risk and Audit Committee, which met a further three times during the year and is responsible on behalf of the Trustees for reviewing the policies and overall process for identifying and assessing risks to the Society. It reviews the major strategic, business, financial and operational risks to which the Society is exposed, both the risk before controls and mitigating actions and the risk after taking these into account. Systems have been established to mitigate those risks and procedures have been implemented to minimise any potential impact on the Society should any of those risks materialise.

Bristol, Clifton and West of England Zoological Society Limited

Report of the Trustees (continued)

Risk management (continued)

The Trustees are generally satisfied that proper systems, including risk assessment processes, health and safety procedures and insurances are in place and that policies are in place to recognise and mitigate exposure to other major risks. For details of the principal non-financial risks and uncertainties see the Strategic Report.

Investment powers, policy and performance

Investment powers are governed by the Memorandum and Articles of the Society, which permit the funds to be invested in the manner shown in note 10 to the financial statements. The Society does not currently have any funds held in investment funds.

Asset cover for funds

Note 18 to the financial statements sets out an analysis of the assets attributable to the restricted, designated and unrestricted funds. These assets are sufficient to meet with the Society's obligations in respect of each individual fund.

Fixed assets

The movements in fixed assets during the year are set out in note 9 to the financial statements.

The freehold land and buildings at Clifton were revalued at 30 September 2013. The freehold land and buildings at Hollywood Tower Estate were revalued as at 21 October 2014.

Grant giving

The Trustees have approved a policy of setting aside a proportion of the Society's unrestricted funds each year to provide for grants to support in-situ conservation projects. Executives bring forward recommendations for projects to support. These recommendations are subject to Trustee approval as part of the Society's annual budgeting process. In addition, grants are made to conservation organisations from the proceeds of specific fundraising exercises.

Fundraising

The Society's approach to fundraising is set out in its Fundraising Policy. The Society primarily fundraises from philanthropic sources (e.g. grant giving bodies and individual/group donors), corporate sponsorship (both cash and "in-kind") and fundraising events.

The Society recognises the need to conduct its fundraising within the context of recognised standards set out in the Institute of Fundraising's (IoF) Code of Fundraising Practice, the Data Protection Act 2018 and the CAP Code (Committee of Advertising Practice). During 2021 and 2020, the Society engaged with external professional fundraisers to advise on the fundraising element of the strategy and how the Society can best raise these monies.

The Fundraising Policy stresses the critical importance that no individual should use their position in the Society for personal gain, or to benefit others at the expense of the Society, its mission, or reputation. The Policy also sets out that individuals must not act in any way that could be reasonably seen by others as compromising the independence and integrity of the Society; all activities are to be carried out with honesty and integrity, with employees never knowingly misleading supporters. Any confidential information obtained must always be protected, and that the trust of all supporters is not violated. The Policy also sets out the way in which we deal with fundraising complaints.

Reserves

The total reserves of the Society at the year end was £39.3m (2021: £43.0m). Included within this is £0.5m (2021: £0.6m) of restricted reserves. The Society's policy on restricted reserves is to record donations, grants and other sources of fundraising separately where restrictions are imposed that are narrower than the Society's overall objectives.

The total amount of unrestricted reserves is £38.8m (2021: £42.6m). The Trustees have a policy of designating unrestricted reserves for specific purposes. The main designated reserves are:

- The fixed asset reserve of £38.9m (2021: £38.4m) represents the net book value of the Group's tangible fixed assets net of outstanding related bank loans and are separated as they cannot be easily realised;
- Other designated funds totalling £2,700 (2021: £9,000) for purposes described in Note 16; and
- An investment property reserve of £0.8m (2021: £0.8m).

Bristol, Clifton and West of England Zoological Society Limited

Report of the Trustees (continued)

Reserves (continued)

The Trustees review their policy on reserves each year. There is no single level, or even a range of reserves that is right for all charities. The level of reserves set by the Trustees should reflect the particular circumstances of the charity and to some extent, therefore, any amount of money set aside in a reserves policy is subjective and will change over time.

At 31 December 2022, the unrestricted undesignated reserves of the Group amounted to a deficit of £1.4m (2021: £2.7m) and £0.6m (2021: £0.6m) relating to the defined benefit pension fund. The level of unrestricted undesignated reserves in 2022 includes £1.3m relating to investment properties which are currently held for sale. While this in deficit, this was expected as part of the transitional process the Society is going through and it was agreed with Trustees that the minimum reserves should reflect at least 10% of visitor income plus a £0.1m sinking fund and that an element of the bank facilities will be ring fenced to ensure this funding is available. The programme to ensure that a suitable level of unrestricted undesignated reserves is achieved and then maintained is a key part of the development of the Society's strategic plans. Upon the sale of West Car Park and Bristol Zoo Gardens, the designated fixed asset reserve relating to those property will be released and the Trustees will redesignate part of the profit from the sales to contribute to the funding of the Bristol Zoo Project.

Directors' indemnities

As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is still in force post year end. The Company also purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of itself and its Directors.

Equal opportunities

The Society is an equal opportunity employer and is committed to promoting equal opportunity for all employees and job applications. The Society does not discriminate against employees on the basis of their age, disability, gender, sexual orientation, gender reassignment, pregnancy and maternity, race, religion or belief.

Any applications for employment by disabled persons are always fully considered, bearing in mind the respective aptitudes and abilities of the applicant concerned. In the event of employees becoming disabled, all reasonable efforts are made to ensure that their employment within the Society continues, including enjoying the same career development and promotion opportunities and training.

Employee engagement

The Society's employees are key to its success and it is important that they are engaged with the charity and its activities on a formal and informal basis. As part of this programme, quarterly 'All Staff' meetings are held, where the Executive Team present on the performance of the Society and any other information they feel employees should be made aware of. Employees are encouraged to ask questions at these meetings. In addition, as part of regular consultation with employees and encouraging employee participation, the Chief Executive and Director of Finance & Corporate Services met with a Staff Forum on a bi-monthly basis. On a more informal basis, a weekly newsletter is circulated and regular update meetings on conservation projects are provided for those who wish to attend.

Accounting and reporting responsibilities

Statement of Trustees' responsibilities

The Trustees (who are also directors of Bristol, Clifton and West of England Zoological Society Limited for the purposes of company law) are responsible for preparing the Report of the Trustees, including the Strategic Report, and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;

Bristol, Clifton and West of England Zoological Society Limited

Report of the Trustees (continued)

Statement of Trustees' responsibilities (continued)

- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Society's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Report of the Trustees and the Strategic Review were approved by the Board of Trustees.



David Esam
17 July 2023

Independent Auditor's Report to the Trustees and Members of Bristol, Clifton and West of England Zoological Society Limited

Opinion

We have audited the financial statements of Bristol, Clifton and West of England Zoological Society Limited (the 'charitable company') for the year ended 31 December 2022 which comprise the Consolidated statement of financial activities, Consolidated and charitable company's Balance Sheet, Consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 December 2022 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Trustees have been prepared in accordance with applicable legal requirements.

Independent Auditor's Report to the Trustees and Members of Bristol, Clifton and West of England Zoological Society Limited (continued)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate and sufficient accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities Statement set out on pages 10 and 11, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, UK financial reporting standards as issued by the Financial Reporting Council, and the Charities Act 2011.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.
- As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are

Independent Auditor's Report to the Trustees and Members of Bristol, Clifton and West of England Zoological Society Limited (continued)

appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Councils website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charity's Trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charitable company's members and the charity's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body, and its Trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Mark Powell, *Senior Statutory Auditor*

For and on behalf of Moore, Statutory Auditor
30 Gay Street
Bath
BA1 2PA

Moore is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

19 July 2023

Bristol, Clifton and West of England Zoological Society Limited
Consolidated statement of financial activities
(including the consolidated income and expenditure account)
For the year ended 31 December 2022

	Note	Unrestricted funds	Restricted funds	Total 2022	Total 2021 £'000
Income:					
Donations & legacies		320	-	320	277
Income from charitable activities:					
Bristol Zoo Gardens	2(a)	5,609	-	5,609	5,346
Wild Place Project	2(b)	2,816	-	2,816	2,121
Conservation & research projects	2(c)	-	302	302	405
Income from commercial trading operations	3(b)	1,629	-	1,629	1,290
Investment income	3(a)	37	-	37	237
Government Grants	3(c)	-	-	-	140
Total income		10,411	302	10,713	9,816
Expenditure					
Expenditure on raising funds:					
Fundraising		275	-	275	245
Commercial trading operations		1,301	-	1,301	1,213
Investment management costs		37	-	37	26
	5	1,613	-	1,613	1,484
Expenditure on charitable activities:					
Bristol Zoo Gardens		8,342	-	8,342	6,660
Wild Place Project		3,399	-	3,399	2,645
Conservation & research projects		386	557	943	558
Total expenditure	5	13,740	557	14,297	11,347
Net (expenditure)/income before investment (losses)/gains		(3,329)	(255)	(3,584)	(1,531)
Exceptional expenditure: closure costs	5	(2,372)	-	(2,372)	(174)
Net (expenditure)/income before investment (losses)/gains : underlying		(957)	(255)	(1,212)	(1,357)
Net (losses)/gains on investments	10	(132)	-	(132)	687
Net (expenditure)/income for the year	6	(3,461)	(255)	(3,716)	(844)
Transfers between funds		(150)	150	-	-
Other recognised gains/(losses):					
Actuarial (losses)/gains on defined benefit pension scheme	19	(67)	-	(67)	477
Net movement in funds		(3,678)	(105)	(3,783)	(387)
Total funds brought forward		42,459	590	43,049	43,416
Total funds carried forward		38,781	485	39,266	43,049

Bristol, Clifton and West of England Zoological Society Limited

Balance sheets at 31 December 2022

Registered company number – 5154176

	Note	Group 2022 £'000	2021 £'000	Society 2022 £'000	2021 £'000
Fixed assets					
Tangible assets	9	41,535	39,396	41,535	39,396
Investments	10	767	767	767	767
Investment in subsidiary company	4	-	-	-	-
Animals	1	1	1	1	1
Total fixed assets		42,303	40,164	42,303	40,164
Current assets					
Investments	10	1,339	2,512	1,339	2,512
Stocks	11	27	65	-	-
Debtors falling due within one year	12	263	695	259	671
Cash at bank and in hand	-	350	2,525	295	2,329
Total current assets		1,979	5,797	1,893	5,512
Creditors: amounts falling due within one year	13	(3,286)	(2,882)	(3,509)	(2,839)
Net current (liabilities)/assets		(1,307)	2,915	(1,616)	2,673
Total assets less current liabilities		40,996	43,079	40,687	42,837
Creditors: amounts falling due after more than one year	14	(2,296)	(663)	(2,296)	(663)
Net assets excluding pension asset		38,700	42,416	38,391	42,174
Defined benefit pension asset	19	566	633	566	633
Net assets including pension asset		39,266	43,049	38,957	42,807
Funds:					
Share capital	15	-	-	-	-
Unrestricted income funds					
Designated funds	16	39,649	39,146	39,649	39,146
Other unrestricted funds	16	(1,434)	2,680	(1,743)	2,438
Total unrestricted funds before pension asset		38,215	41,826	37,906	41,584
Pension reserve	19	566	633	566	633
Total unrestricted funds after pension asset		38,781	42,459	38,472	42,217
Restricted funds	17	485	590	485	590
Total charity funds	18	39,266	43,049	38,957	42,807

The Society has taken exemption from presenting its individual profit and loss account under section 408 of the Companies Act 2006. The amount of the net expenditure for the year dealt with in the Society's entity-only financial statements is £3,850,000 (2021: net expenditure £582,000).

The financial statements were approved and authorised for issue by the Board of Trustees on 17 July 2023 and signed on its behalf by:


David Esam


Andrew Martyn-Johns

The notes on pages 18 to 39 form part of the financial statements.

Bristol, Clifton and West of England Zoological Society Limited
Consolidated cash flow statement
For the year ended 31 December 2022

	Note	2022 £'000	2021 £'000
Net cash generated (used by)/from operating activities	20	(1,265)	2,387
Cash flow from investing activities:			
Purchase of property, plant and equipment		(3,584)	(2,247)
Proceeds from sale of investments		1,042	-
Net cash absorbed by investing activities		(2,542)	(2,247)
Cash flow from financing activities:			
Repayments of borrowing		(368)	(595)
Proceeds from new borrowing		2,000	-
Net cash generated by/(used in) financing activities		1,632	(595)
Net decrease in cash and cash equivalents in the year		(2,175)	(455)
Cash and cash equivalents at the beginning of the year		2,525	2,980
Total cash and cash equivalents at the end of the year	21	350	2,525
Cash and cash equivalents consist of:			
		£'000	£'000
Cash at bank and in hand		350	2,525
Cash deposits for reinvestment		-	-
Net cash		350	2,525

The notes on pages 18 to 39 form part of the financial statements.

Bristol, Clifton and West of England Zoological Society Limited

Notes to the financial statements

For the year ended 31 December 2022

The Society is a company limited by shares. The company registration number is 5154176 and it is registered as a charity in England & Wales, charity number 1104986. Amounts include in the financial statements are rounded to the nearest whole pound.

1 Principal accounting policies

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The Society meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Basis of consolidation

The consolidated statement of financial activities, the consolidated balance sheet and the consolidated cash flow statement include the financial statements of the Society and its subsidiary undertakings made up to 31 December 2022, using the acquisition method of accounting. Uniform accounting policies are applied throughout the group. Intra group transactions and profits are eliminated fully on consolidation. The Society's share of the net income, and its share of the net assets, of Natural History Consortium (of which the Society is a one-third member) have not been included as they do not have a material effect on the financial statements of the Society.

Preparation of the accounts on a going concern basis.

The Society reported a net cash outflow of £2,175,000 for the year.

As a consequence of the coronavirus pandemic and the loss of income and cash resulting from the closure of both sites during 2021 and 2020, the Trustees put into place various measures to ensure the Society could continue as a going concern. These measures included cost saving measures and approving a new strategy to secure the Societies long term future.

This strategy included the closure to visitors of Bristol Zoo Gardens in September 2022 to enable the sale of the site and the sale of other properties, in order to help fund the development of the Bristol Zoo Project and its investment in conservation activities. In addition, during July 2023 long term funding has been agreed with HSBC Bank plc comprising of a £15m revolving credit facility and a £0.5m overdraft.

With these facilities in place, the Trustees are of the view that based on the forecasts for the next 12 months, the bank facilities, the expected proceeds from disposal of property and cash reserves available will be sufficient to cover any short to medium term cash requirements, and that on this basis the charity is a going concern.

Functional currency

The Society's functional and presentation currency is the pound sterling.

Donations and legacies

Donations and legacies are credited to revenue on a receivable basis. For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. Gifts in kind are valued at a reasonable estimate of their value to the Society.

Visitor related income

Visitor related income represents cash and invoiced amounts of admission charges, goods sold and services provided and commission, stated net of Value Added Tax, together with Gift Aid income, where applicable. The income is recognised at date of receipt or of the visit, if later.

Annual and corporate membership income

Annual and corporate membership income is credited in the statement of financial activities on a time basis. Where annual membership commences in mid-year then an amount relating to the subsequent period is deferred within creditors as accruals and deferred income.

Bristol, Clifton and West of England Zoological Society Limited

Notes to the financial statements

For the year ended 31 December 2022

1 Principal accounting policies (continued)

Grants receivable

Income from government and other grants, whether 'capital' or 'revenue', is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Rental income

Income from rented properties is recognised in the period in which the rent is due. Income from office lettings is recognised in the period to which it relates. Amounts invoiced for future periods are apportioned and carried forward as deferred income.

Tangible fixed assets, depreciation and impairment

Freehold land and buildings were previously revalued every five years by a suitably qualified independent valuer. The land and buildings at Clifton are stated at their valuation as reported in the financial statements as at 1 January 2014. Land and buildings at the Hollywood Tower Estate are stated at the valuation carried out at 21 October 2014. Other assets purchased subsequent to those dates, including those under the course of construction, are included at their historical purchase price together with any incidental expenses of acquisition and irrecoverable VAT. The Society took the advantage of the transitional arrangements related to the introduction of FRS 102 in 2015 to treat the most recent valuations as deemed cost. Assets with a cost below £500 are not capitalised.

After initial recognition, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. At each reporting date the Society assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is calculated so as to write off the cost or valuation of tangible fixed assets, less their estimated residual values, over the expected useful economic lives of the assets concerned. The principal annual rates used for this purpose are:

	%
Freehold land and buildings (animal houses)	2-4
Other freehold land and buildings	1-2
Leasehold land and buildings	4
Plant and machinery	10 - 20
Motor vehicles	25

Interest on long term loans taken out to finance capital expenditure on land and buildings is capitalised up until the date the assets are brought into use.

Fixed asset investments

Investments in subsidiary undertakings are stated at cost, but are written down to their realisable value if it is considered that there has been a permanent diminution in their value. Investment properties are stated at fair value. These properties are not depreciated. Investments in government securities and listed companies have been valued at market value at each year end. Income from investments is included in the year in which it is receivable.

Realised and unrealised gains and losses on investment properties and other investments are combined in the Consolidated statement of financial activities.

Current asset investments

Investment properties and freehold property that are in the process of being sold at the balance sheet date have been classified as current asset investments.

Animals

These assets, which are not capable of realistic valuation, are shown at a nominal value and not depreciated. Purchases and sales during the year are treated as revenue transactions.

Stocks

Stocks are valued at the lower of cost and estimated net realisable value. Provision is made where necessary for obsolete, slow moving and defective stocks.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Bristol, Clifton and West of England Zoological Society Limited

Notes to the financial statements

For the year ended 31 December 2022

1 Principal accounting policies (continued)

Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources. Overheads have been allocated on an appropriate basis between cost categories, based on staff numbers or share of resources.

Expenditure on raising funds

Expenditure on raising funds relates to the costs of running and supporting the Society's trading activities and other fundraising projects, and investment management costs.

Costs of charitable activities

Charitable activities include (a) the operation of Bristol Zoo Gardens (b) the operation of Wild Place Project, and (c) conservation and research projects. Both the direct costs and support costs of these activities are included.

Grants payable

Grants payable are accounted for in full as liabilities of the Society when approved by the Trustees and accepted by the beneficiaries.

Support costs

Support costs comprise the direct costs, including staff, attributable to charitable activities and an appropriate apportionment of indirect costs.

Governance costs

Governance costs include expenditure on administration of the charity and compliance with constitutional and statutory requirements, and an appropriate apportionment of indirect costs.

Recognition of liabilities

Liabilities are recognised when an obligation arises to transfer economic benefits as a result of past transactions or events.

Pension costs

The Society operates a defined benefit pension scheme which closed to new employees in 2004 and ceased accrual in 2012. The assets of the scheme are held in trustee administered funds completely independent of the Society's finances. The Society makes contributions to clear any scheme deficit that arises over a period of time agreed with the Scheme Trustees.

The Society makes contributions to defined contribution pension schemes on behalf of staff. The cost of these contributions is charged in the financial statements as incurred.

Operating leases

Rentals applicable to operating leases are charged as a cost against the activity for which the expenditure was incurred on a straight-line basis over the term of the lease.

Irrecoverable VAT

Irrecoverable VAT attributable to capital expenditure is capitalised as an addition to the asset in question. Irrecoverable VAT on revenue expenditure is allocated under the appropriate expenditure headings in the consolidated statement of financial activities.

Financial instruments

The Society only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Fund accounting

Unrestricted funds are funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements. Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes.

The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements. Investment income and gains are allocated to the appropriate fund.

Bristol, Clifton and West of England Zoological Society Limited

Notes to the financial statements

For the year ended 31 December 2022

1 Principal accounting policies (continued)

Significant judgements and estimates

Preparation of the financial statements requires the Trustees to make significant judgements and estimates. The items in the financial statements where these judgments and estimates have been made include:

- Going concern and the ability of the Society to continue to trade given the closure of Bristol Zoo Gardens to visitors and the resultant loss of visitor income, and investment in capital projects.
- Deciding on the expected useful lives of tangible fixed assets, their fair value and value in use. The Trustees consider by each fixed asset class the generally accepted best practice for the length of expected useful lives and the Society's own experience when establishing the expected useful lives. In 2022 and 2021, this has taken into consideration the decision to close Bristol Zoo Gardens.
- The valuation of investment properties, taking into external valuations, agreed sales values and condition of the properties.
- The apportionment basis for the allocation of costs. The Trustees consider that costs should be allocated to different group activities on the main driver of costs for that department, for example staff numbers, revenue or direct costs.
- Defined benefit pension scheme. The Society has an obligation to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including: life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. Management, with advice from the scheme actuary, estimate these factors in determining the net pension obligation in the balance sheet. The assumptions reflect historical experience and current trends. See note 19 for the disclosures relating to the defined benefit pension scheme.

2a) Bristol Zoo Gardens

	2022 £'000	2021 £'000
Gate receipts (inc. Gift Aid)	3,792	3,337
Membership income (inc. Gift Aid)	478	688
Higher Education fees	1,092	1,101
Other (car parks, education fees, vet consultancy etc.)	247	220
	5,609	5,346

2b) Wild Place Project

	2022 £'000	2021 £'000
Gate receipts (inc. Gift Aid)	2,226	1,813
Membership income (inc. Gift Aid)	553	277
Other (education fees etc.)	37	31
	2,816	2,121

2c) Conservation and research projects

	2022 £'000	2021 £'000
Grants received	264	345
Other	38	60
	302	405

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3a) Investment income

	2022	2021
	£'000	£'000
Interest on government securities	1	2
Rents and other property income	36	235
	37	237

3b) Commercial trading operations

	2022	2021
	£'000	£'000
On-site catering and retail sales	1,499	1,225
Conference facilities	92	59
Events	27	2
Miscellaneous income from activities, including on-site concessions	11	4
	1,629	1,290

3c) Government Grants

	2022	2021
	£'000	£'000
Government Grants	-	140

3d) Other Income

	2022	2021
	£'000	£'000
Loss on disposal of fixed assets	15	-

4 Subsidiary and associated companies

The Society owns 100% of the share capital of Bristol Zoo Enterprises Limited (company number 01750167) which is incorporated in England and which carries out trading activities relating to the Society. The cost of the investment is £3 and there is no impairment provision.

The Society holds one third of the membership of Natural History Consortium ('NHC'), a charity established to improve communication about the natural world. The Society does not include its share of the results of this charity in the group financial statements of the Society because the results are not material to the Society. The most recent available audited financial statements of NHC, for the year ended 31 December 2021 show a net deficit and net movement in funds of £7,508 (2020: surplus of £48,103) and total assets of £72,499 (2020: £80,007).

The results of the Society and Bristol Zoo Enterprises Limited are set out below, together with the companies' assets and liabilities:

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4 Subsidiary and associated companies (continued)

	Society 2022 £'000	BZE Ltd 2022 £'000	Consolidation adjustments 2022 £'000	Total 2022 £'000	Total 2021 £'000
Income	10,040	1,611	(938)	10,713	9,816
Expenditure	(13,692)	(1,543)	938	(14,297)	(11,347)
Net income before investment (losses)/gains	(3,652)	68	-	(3,584)	(1,531)

The total expenditure within BZE Ltd includes gift aid distributions to the Society of £241,580 (2021: £27,000).

Net funds of the subsidiary company:

	2022 £'000	2021 £'000
Aggregate assets	319	300
Aggregate liabilities	(10)	(58)
Aggregate funds	309	242

The Trustees believe the carrying value of the investment is supported by its underlying net assets.

5 Expenditure

	Staff costs £'000	Other direct costs £'000	Support costs £'000	Governance costs £'000	2022 £'000	2021 £'000
Expenditure on raising funds:						
Fundraising	248	27	-	-	275	245
Commercial trading	172	1,129	-	-	1,301	1,213
Investment management costs	-	37	-	-	37	26
Total expenditure on raising funds	420	1,193	-	-	1,613	1,484
Expenditure on charitable activities:						
Bristol Zoo Gardens	1,620	1,700	4,273	749	8,342	6,660
Wild Place Project	1,042	830	1,312	215	3,399	2,645
Conservation and research projects	92	465	386	-	943	558
Total expenditure on charitable activities	2,754	2,995	5,971	964	12,684	9,863
Total expenditure	3,174	4,188	5,971	964	14,297	11,347

Included above in Bristol Zoo Gardens expenditure is £2.4m (2021: £0.2m) relating to the exceptional closure costs. These comprise of contract termination costs of £1.1m, £0.4m redundancy and site closure costs of £0.9m.

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5 Expenditure (continued)

Prior year comparatives

	Staff costs £'000	Other direct costs £'000	Support costs £'000	Governance costs £'000	2021 £'000	2020 £'000
Expenditure on raising funds:						
Fundraising	230	15	-	-	245	198
Commercial trading	344	869	-	-	1,213	990
Investment management costs	-	26	-	-	26	29
Total expenditure on raising funds	574	910	-	-	1,484	1,217
Expenditure on charitable activities:						
Bristol Zoo Gardens	1,851	1,260	2,744	805	6,660	6,672
Wild Place Project	867	632	894	252	2,645	2,217
Conservation and research projects	83	237	238	-	558	611
Total expenditure on charitable activities	2,801	2,129	3,876	1,057	9,863	9,500
Total expenditure	3,375	3,039	3,876	1,057	11,347	10,717

Allocation of support costs:

	Staff costs £'000	Other costs £'000	2022 £'000	Staff costs £'000	Other costs £'000	2021 £'000
Bristol Zoo Gardens	1,254	3,019	4,273	1,028	1,716	2,744
Wild Place Project	354	958	1,312	352	542	894
Conservation and research projects	293	93	386	199	39	238
	1,901	4,070	5,971	1,579	2,297	3,876

Support costs have been allocated on the basis of the number of employees engaged in charitable activities and include the costs of the finance department, maintenance, utilities, admissions, governance costs and a proportion of irrecoverable VAT.

Allocation of governance costs:

	Staff costs £'000	Other costs £'000	2022 £'000	Staff costs £'000	Other costs £'000	2021 £'000
Bristol Zoo Gardens	525	234	749	394	411	805
Wild Place Project	151	64	215	123	129	252
	676	288	964	517	540	1,057

The Society's governance costs include both the costs of Trustee governance and the development of major strategic programmes. Costs of Trustee governance are £54,000 (2021: £41,000) and costs of the senior leadership team to support Trustee discussions are £161,000. For clarification there are no payments made directly to Trustees and they do not personally financially benefit from any of the property transactions but does include £276 of reimbursement of Trustee expenses. Major strategic programmes are the development of the plans for the new Bristol Zoo Project and the submission of planning applications and sale of Bristol Zoo Gardens and West Car Park. These costs are £750,000 and include the proportion of senior management time spent on these and a proportion of support costs such as finance, HR and IT. We would expect these governance related costs to significantly decrease from 2023, with the Society now moving to the execution phase of these strategies and costs for nBZ being capitalised within the cost of the project (where appropriate to do so).

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6 Net income/(expenditure)

	2022	2021
	£'000	£'000
Net (expenditure)/income for the year is stated after charging/(crediting):		
Operating lease payments:		
Plant, machinery and vehicles	7	21
Depreciation and impairment	1,640	1,828
Loss on disposal of current asset investments	15	-
Trustee indemnity insurance	32	23
Auditors' remuneration for:		
Audit services (Society: £15,100 (2021: £15,100))	19	19
Other services – taxation advisory services	-	-
Other services – taxation and other compliance services	2	1

The other services represents advice on VAT.

7 Analysis of staff costs

	2022	2021
	Number	Number
The average monthly head count was 213 staff (2021: 216 staff). The average monthly number of full time equivalent employees during the year was:		
Generating voluntary income	7	7
Bristol Zoo Gardens	71	89
Wild Place Project	36	31
Commercial trading	7	10
Conservation & research projects	19	16
Support	41	38
	181	191

	2022	2021
	£'000	£'000
Staff costs		
Wages and salaries	5,026	4,873
Social security costs	547	444
Contributions to defined contribution pension scheme (see note 19)	168	165
Death-in-service benefits and pensions to former staff	10	15
	5,751	5,497

None of the above staff costs have been capitalised in the year (2021: nil).

Included in the wages and salaries cost in 2022 was £390,000 paid in redundancy costs (2021: nil).

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7 Analysis of staff costs (continued)

The number of employees whose annual emoluments exceeded £60,000 was:

	2022 Number	2021 Number
£60,001 - £70,000	2	2
£70,001 - £80,000	1	1
£80,001 - £90,000	1	-
£90,001 - £100,000	1	1
£130,001 - £140,000	1	1

A salary exchange arrangement was introduced in 2015 for members of the Executive Board. The emoluments include salaries sacrificed. Contributions of £22,161 (2021: £20,914) in respect of higher paid employees were paid to defined contribution pension schemes.

No Trustee received any remuneration from the Society during the year (2021: £nil). £276 was reimbursed to Trustees for out of pocket expenses relating to travel and accommodation to attend meetings (2021: £nil). No expenses were paid for or on behalf of Trustees (2021: £nil). No Trustee received payment for professional or other services supplied to the Society (2021: £nil).

The Board of Trustees, who are the Society's directors, and the Senior Management Team comprise the key management personnel of the Society (see page 3). The total of employee benefits of key management personnel was £617,000 (2021: £503,000). The increase reflects the increase in the number of members of the Executive Board at the end of 2021 to support the capital development projects.

The Society pays the premiums on behalf of the Trustees in respect of Directors and Officers insurance. The premium paid in 2022 was £32,200 (2021: £22,500).

Pension contributions outstanding at the year-end were £nil (2021: £nil).

8 Taxation

The parent company is a registered charity, and as such is entitled to certain tax exemptions on income and profits from investments, and surpluses on any trading activities carried on in furtherance of the charity's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

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9 Fixed assets

Group & Society	Freehold operational land & buildings £'000	Leasehold operational land & buildings £'000	Plant & machinery £'000	Motor vehicles £'000	Assets under construction £'000	Total £'000
Cost or Valuation						
At 1 January 2022	43,741	121	3,211	46	2,083	49,202
Additions	13	-	188	27	3,551	3,779
Transfer from AUC	1,300	-	175	-	(1,475)	-
At 31 December 2022	45,054	121	3,574	73	4,159	52,981
Accumulated depreciation and impairment						
At 1 January 2022	7,099	104	2,569	34	-	9,806
Charge in year	1,063	5	257	6	-	1,331
Impairment	162	4	143	-	-	309
At 31 December 2022	8,324	113	2,969	40	-	11,446
Net book value						
At 31 December 2022	36,730	8	605	33	4,159	41,535
At 31 December 2021	36,642	17	642	12	2,083	39,396

The impairment charge reflects the adjustment to the estimated recoverable value for various exhibits, plant and equipment at Bristol Zoo Gardens which are not expected to be utilised post closure of the site to visitors and animals being dispersed to other collections.

Some of the properties have been used as security for bank loans and other arrangements, the details of which are provided in notes 13 and 24.

The land and buildings valued at the date of transition to FRS 102 using the deemed cost exemption was as follows:

Group and Society	2015 £'000
Historical cost equivalent	3,953
Revaluation	32,807
Net book value	36,760

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10 Investments

Held as fixed asset investment

Group and Society	Investment Properties £'000	Total £'000
Cost or valuation at 1 January 2022	767	767
Additions	-	-
Net book value:		
At 31 December 2022	767	767
At 31 December 2021	767	767

Held as current asset investment

Group and Society	Investment Properties £'000	Total £'000
Cost or valuation at 1 January 2022	2,512	2,512
Disposals	(1,042)	(1,042)
Revaluation	(131)	(131)
Net book value:		
At 31 December 2022	1,339	1,339
At 31 December 2021	2,512	2,512

Investment properties are stated at fair value as at 31 December 2022, based on a review by Trustees. These properties are the subject of first and second charges, details of which are included in notes 13 and 24.

The Society owns three shares of £1 each in its wholly owned trading subsidiary Bristol Zoo Enterprises Ltd which is incorporated in the United Kingdom. These are the only shares allotted, called up and fully paid.

11 Stocks

	Group		Society	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Animals foodstuffs, cleaning materials.	-	-	-	-
Goods for resale	27	65	-	-
	27	65	-	-

The difference between purchase price of stocks and their replacement value is not material.

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12 Debtors: amounts falling due within one year

	Group		Society	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Amounts falling due within one year				
Trade debtors	36	75	32	37
Other debtors	159	293	159	293
Amounts owed by group undertaking	-	-	-	15
Prepayments & accrued income	68	327	68	326
	263	695	259	671

13 Creditors: amounts falling due within one year

	Group		Society	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Bank loan	361	363	361	363
Trade creditors	376	933	373	913
Amounts owed to group undertaking	-	-	232	-
Taxation and social security	217	222	217	222
Other creditors	388	629	388	629
Accruals & deferred income	1,935	726	1,929	703
Accrual for unissued share capital	9	9	9	9
	3,286	2,882	3,509	2,839

The details of the bank loans with HSBC Bank plc at the year end are as follows:

- Revolving credit facility loan of £2,000,000 (2021: £nil) drawn down at the year end. This facility is in place until June 2024 and comprise of a £0.5m overdraft facility and a £10m revolving credit facility. Drawn down balances on the revolving credit facility are charged interest at 2.5% above the Bank of England base rate and 1% interest on undrawn balances;
- Bank loan of £656,619 (2021: £988,902) with interest charged at 2.0% above the Bank of England base rate. This loan is repayable in monthly instalments which end in July 2024; and
- Bank loan of £nil (2021: £37,217) with interest charged at 1% above the Bank of England base rate. This loan was repayable in monthly instalments which ended in June 2022.

All of the bank loans are secured against the Society's land and buildings in Clifton and at the Hollywood Tower Estate.

In July 2023, the revolving credit facility was extended to a £15m facility, which is in place until the sale of Bristol Zoo Gardens or June 2026 (if later). The interest rates on drawn and undrawn balances remain the same.

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13 Creditors: amounts falling due within one year (continued)

Deferred income for the Group and Society relates mainly to annual and corporate membership income, and unredeemed admission ticket sales. The movements in deferred income included within creditors: amounts falling due within one year are analysed below:

	Group 2022 £'000	2021 £'000	Society 2022 £'000	2021 £'000
Deferred income at 1 January	631	598	625	571
Amount released from previous periods	(631)	(598)	(625)	(571)
Incoming resources deferred in the year	388	631	388	625
Deferred income at 31 December	388	631	388	625

14 Creditors: amounts falling due after more than one year

Group and Society	2022 £'000	2021 £'000
Bank loans repayable in instalments within one to two years	2,296	363
Bank loans repayable in instalments within two to five years	-	300
Bank loan repayable in instalments after more than five years	-	-
	2,296	663

The above loans qualify as basic financial instruments. The total loans, including amounts due within one year, amount to £2,657,000 (2021: £1,026,000).

15 Share capital

	2022	2021
Authorised – value	£350	£350
Allotted, called up and fully paid shares of £1		
- value	£275	£275
- number	275	275

16 Unrestricted funds

Group current year

	Balance 1 January 2022 £'000	Incoming resources £'000	Resources expended £'000	Transfers, investment gains/(losses) pension surplus £'000	Balance 31 December 2022 £'000
Designated funds					
Staff development fund	9	-	(6)	-	3
Fixed asset reserve	38,370	-	(1,640)	2,149	38,879
Investment property reserve	767	-	-	-	767
Total designated funds	39,146	-	(1,646)	2,149	39,649
Pension reserve	633	-	-	(67)	566
Other unrestricted funds	2,680	10,411	(12,094)	(2,431)	(1,434)
Total unrestricted funds	42,459	10,411	(13,740)	(349)	38,781

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16 Unrestricted funds (continued)

The designated funds consist of the following funds:

- The staff development fund is to earmark funds for staff development. The keeper for the day fund is to earmark funds for training and development of animal department staff.
- The fixed asset reserve has been established to equate to the net book value of the Group's tangible fixed assets, net of loan funding and restricted funding. The movement in the fund reflects the changes in the net book values of the assets and changes in loan. The Trustees agreed in 2019 to no longer separately recognise the revaluation reserve which was left on transition from FRS 102 and therefore this is included in the fixed asset reserve above.
- The investment property reserve has been established to equate to the net book value of the Group's investment properties, as these are not easily realisable. The movement in the fund reflects the changes in the net book values of the assets.
- Income from investments is allocated to other unrestricted funds.

Upon the sale of West Car Park and Bristol Zoo Gardens, the designated fixed asset reserve relating to those property will be released and the Trustees will redesignate part of the profit from the sales to help fund Bristol Zoo Project.

Society current year

	Balance 1 January 2022 £'000	Incoming resources £'000	Resources expended £'000	Transfers, investment gains/(losses) pension surplus £'000	Balance 31 December 2022 £'000
Designated funds					
Staff development fund	9	-	(6)	-	3
Fixed asset reserve	38,370	-	(1,640)	2,149	38,879
Investment property reserve	767	-	-	-	767
Total designated funds	39,146	-	(1,646)	2,149	39,649
Pension reserve	633	-	-	(67)	566
Other unrestricted funds	2,438	9,738	(11,489)	(2,430)	(1,743)
Total unrestricted funds	42,217	9,738	(13,135)	(348)	38,472

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17 Restricted funds - Group & Society

	Balance 1 January 2022 £'000	Transfer from general reserves £'000	Incoming resources £'000	Resources expended £'000	Transfers between funds & adjustments £'000	Balance 31 December 2022 £'000
Conservation related:						
Conservation Fund	107	150	67	-	(257)	67
Avon Gorge & Downs Project	40	-	6	(53)	16	9
Sahamalaza Research Centre	41	-	-	(26)	32	47
Reforestation Project	6	-	-	(3)	-	3
Gorilla Conservation Fund	8	-	-	(25)	27	10
Giraffe Project Fund	12	-	13	(6)	6	25
UK Invasive Weeds	-	-	15	-	-	15
Crayfish Conservation	47	-	10	(19)	-	38
Bleeding Heart Doves	11	-	-	(24)	30	17
Sanje Mangabey Monkeys	6	-	-	(24)	14	(4)
Wild Place Native Species	70	-	-	(1)	-	69
Native Species	-	-	-	(49)	52	3
Lemurs and Chocolate	-	-	9	(15)	6	-
Madagascar Project	10	-	1	(18)	24	17
Comoro Islands	15	-	-	(17)	-	(2)
RAPID Life	11	-	5	(4)	-	12
Fish Net Madagascar	26	-	-	(9)	-	17
Gorilla Auction Fund	14	-	1	(38)	14	(9)
SOS Benoue Funding	50	-	49	(73)	-	26
Elephant Crisis fund	16	-	33	(16)	5	38
Fish Net Greece	33	-	-	(23)	-	10
Darwin Initiative	-	-	67	(58)	-	9
Other restricted funds with movements of less than £10,000	67	-	26	(56)	31	68
Total restricted funds	590	150	302	(557)	-	485

The different restricted funds are to be used as follows:

- The Conservation Fund was set up to hold funds that can be used across a variety of conservation projects and is not restricted to individual projects.
- The Avon Gorge and Downs Wildlife Project was set up to provide funds for conservation education work to be carried out in the Avon Gorge and Downs area, near to Bristol Zoo Gardens.
- Sahamalaza Research Centre – this fund was set up to build a new research station in Madagascar.
- Reforestation Project – this is a 3-year grant from IUCN SOS Lemurs for our Sahamalaza, Madagascar reforestation and lemur monitoring project.
- The Gorilla Conservation Fund was set up to provide funds for in-situ gorilla conservation projects.
- The Giraffe Project Fund was set up to provide funds for construction of a giraffe house at Wild Place Project and an in-situ giraffe conservation project.
- UK Invasive Weeds – this fund was set up to provide funds for the invasive weeds and biosecurity work in the southwest of the UK.
- Crayfish conservation – this fund is to support the rearing, release and conservation of UK native white-clawed crayfish.
- Bleeding Heart Doves – this fund is for a conservation project in the Philippines.
- Sanje Mangabey – this fund is for a Sanje Mangabey conservation project in Tanzania.
- Native Species – this fund was set up for our UK conservation work.
- Lemurs and Chocolate – this project is working with cocoa plantations as lemur habitats in Madagascar.
- Madagascar Project – this fund supports the key consultants and post graduate students on our Madagascar Conservation Project.

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17 Restricted funds (continued)

- Comoro Islands – this fund supports work with moongose lemurs on the Comoro Islands.
- RAPID Life – this fund supports work with invasive alien species for freshwater aquatic, riparian and coastal habitats within England.
- Fish Net Madagascar – Community led conservation management plan to save critically endangered freshwater fish species in Madagascar.
- Gorilla Auction Fund – this was set up to fund in situ and ex situ gorilla conservation.
- SOS Benoue Funding – supporting SMART and patrols in BNP, Cameroon.
- Elephant Crisis fund - for elephant crop foraging mitigation in Equitorial Guinea.
- Fish Net Greece - Freshwater fish conservation projects in Greece.
- Darwin Initiative – this fund is supporting the investigation into hunting causes in the North-West Panay Peninsula and working with the local community to develop alternative livelihood programmes.

The other restricted funds were all set up as conservation or other funds for a specific purpose as described in the fund name. The transfers between funds represent reclassification of expenditure from funds with similar purposes.

18 Allocation of net assets

Group	Fixed assets £'000	Net current assets less liabilities £'000	Long term creditors £'000	Pension asset £'000	Total £'000
Unrestricted funds	42,303	(1,792)	(2,296)	566	38,781
Restricted funds	-	485	-	-	485
Total	42,303	(1,307)	(2,296)	566	39,266

Society	Fixed assets £'000	Net current assets less liabilities £'000	Long term creditors £'000	Pension asset £'000	Total £'000
Unrestricted funds	42,303	(2,101)	(2,296)	566	38,472
Restricted funds	-	485	-	-	485
Total	42,303	(1,616)	(2,296)	566	38,957

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19 Pensions

Defined benefit scheme

The Society operates a defined benefit scheme in the UK. This is a separate Trustee administered fund holding the pension scheme assets to meet long term pension liabilities. The scheme closed to new entrants in 2004, and on 30 September 2012 ceased accrual of benefits. A full actuarial valuation was carried out at 30 September 2021 and was updated to 31 December 2022 by a qualified actuary, independent of the scheme's sponsoring employer, and in line with FRS 102. The major assumptions used by the actuary for the valuation used in the financial statements are shown below. The most recent actuarial valuation showed a surplus of £141,000 (30 September 2018: surplus of £390,000). The Society has agreed with the Trustees that given the scheme is in surplus no additional contributions were required in 2022 or subsequent years (2021: £nil paid).

The Society has agreed with the Trustees that it will meet expenses of the scheme and pay amounts into the scheme equal to the levy payments made by the plan to the Pension Protection Fund.

The major assumptions used by the actuary were:

Assumptions

	2022 % per annum	2021 % per annum	2020 % per annum
Inflation (RPI)	3.2%	3.4%	3.0%
Inflation (CPI)	2.8%	3.0%	2.6%
Rate of discount	5.0%	1.8%	1.4%

The mortality assumptions adopted at 31 December 2022 imply the following life expectancies post retirement:

	2022 years	2021 years
Male retiring at age 65 in 2022	21.7	20.8
Female retiring at age 65 in 2022	23.7	22.8
Male retiring at age 65 in 2042	23.0	22.1
Female retiring at age 65 in 2042	25.2	24.3

The fair value of the assets in the scheme was:

	2022 £'000	2021 £'000
Equities	1,434	1,744
Bonds	1,069	1,817
Other funds	2,201	3,962
Other (property, cash etc.)	25	7
Fair value of assets	4,729	7,530

None of the fair values of the assets shown above include any of the Group's own financial instruments or any property occupied by, or other assets used by, the Society.

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19 Pensions (continued)

Reconciliation of scheme assets and liabilities

	Assets £'000	Liabilities £'000	Total £'000
At 1 January 2022	7,530	(6,897)	633
Interest income/(expense)	134	(123)	11
Actuarial gains/(losses)	(2,781)	2,703	(78)
Employer contributions	15	-	15
Benefits paid	(154)	154	-
Expenses	(15)	-	(15)
At 31 December 2022	4,729	(4,163)	566

Defined benefit costs recognised in the Consolidated statement of financial activities

	2022 £'000	2021 £'000
Net interest income	11	2
Expenses	(15)	-
Total (costs)/income recognised in the Consolidated statement of financial activities	(4)	2

Amounts for the current and previous four years

	2022 £'000	2021 £'000	2020 £'000	2019 £'000	2018 £'000
Fair value of scheme assets	4,729	7,530	7,205	6,581	6,446
Present value of defined benefit obligation	(4,163)	(6,897)	(7,049)	(5,944)	(5,993)
Surplus/(deficit) in the scheme	566	633	156	637	453

Defined contribution scheme

The Society operates a Group Personal Pension scheme into which eligible employees are now auto-enrolled. The Society makes contributions. The pension cost for the year payable to this scheme was £168,000 (2021: £165,000). The costs of the provision of death in service benefits total £15,600 (2021: £15,000).

Pension costs are allocated to expenditure categories in proportion to the key business driver for that area of the business.

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20 Reconciliation of net (expenditure)/income to net cash provided by operating activities

	2022 £'000	2021 £'000
Continuing activities		
Movement in funds	(3,783)	(367)
Actuarial losses/(gains) on defined benefit pension scheme	67	(477)
Net losses/(gains) on investments	132	(687)
Net expense for the year before investment losses	(3,584)	(1,531)
Depreciation and impairment of tangible fixed assets	1,640	1,828
Decrease in stocks	38	3
Decrease/(increase) in debtors	432	1,235
Increase/(decrease) in creditors	209	852
Net cash provided (used in)/by operating activities	(1,265)	2,387

21 Analysis of cash and cash equivalents

	At 1 January 2022 £'000	Cash flows £'000	At 31 December 2022 £'000
Cash at bank and in hand	2,525	(2,175)	350
Cash deposit for reinvestment	-	-	-
Cash and cash equivalents	2,525	(2,175)	350

All the movements from the opening to closing components above result from the cash flows of the Group.

22 Commitments under operating leases

At the year end, the future minimum lease payments under non-cancellable operating leases for property and for vehicles were as follows:

Group and Society	2022 £'000	2021 £'000
Within one year	48	77
Between two and five years	28	38
More than five years	-	-
	76	115

23 Capital commitments

Group and Society	2022 £'000	2021 £'000
Amounts contracted	-	-
Amounts authorised but not yet contracted	-	-

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Notes to the financial statements

For the year ended 31 December 2022

24 Contingent liabilities

There are no other conditions or unfulfilled conditions attaching to grants which have been recognised as income.

Certain properties are subject to a charge by HSBC Bank plc, and these are disclosed in note 13.

25 Related party transactions

The Society has considered the disclosure requirements of the Statement of Recommended Practice for Charities and of FRS 102 and believes that the following related party transactions, all of which were made on an arm's length basis, require disclosure:

- During the year, the Society paid subscriptions and bought goods and services to the value of £14,400 (2021: £8,400) from Destination Bristol, where the Chief Executive is a non-executive director.
- During the year, the Society paid contributions to the National History Consortium of £1,250 (2021: £nil). The Chief Executive is a director of this organisation and the Society holds one third of the membership.
- During the year, the Society received fees for Higher Education provision of £825,646 (2021: £804,523) from University of West of England and £181,066 (2021: £194,900) from University of Bristol. Both organisations nominate one Trustee to the Board each year. No amounts were outstanding at the year end from these parties.
- During the year the Society also received Corporate Membership income of £4,740 (2021: £6,204) from University of West of England, and paid conservation project expenses of £6,913 (2021: £2,950). No amounts were outstanding at the year end from or to these parties.
- During the year, the following transactions took place between the Society and its wholly owned subsidiary Bristol Zoo Enterprises Limited ('BZE'); the provision of an operating licence by the Society as a concession to occupy the space used for catering, retail, and other commercial activities at Bristol Zoo Gardens and Wild Place Project and make use of equipment; in 2021, the licence fee was £160,536 (2021: £145,439). A management charge by the Society to cover BZEs share of central costs and overheads; in 2022, this was £536,119 (2021: £391,659). The transfer under Gift Aid of the trading profits of BZE for 2022 of £241,580 and for 2021 £27,749. The balance due from the Society to BZE at 31 December 2022 was £231,734 (2021: £14,516 owed to the Society).

26 Additional information

Bristol, Clifton and West of England Zoological Society Limited is a private company limited by shares and is incorporated and domiciled in England. The address of its registered office is Bristol Zoo Gardens, Clifton, Bristol BS8 3HA. Its principal activities are the operation of Bristol Zoo Gardens and Wild Place Project, and research and conservation work carried out in the field.

27 Subsequent Events

Post year end on the 26 April 2023, the resolution to grant planning permission for the scheme at the Bristol Zoo Gardens site has been granted. The Society will continue to work on finalising the sale of the site and this is expected to complete during 2024.

During May 2023, contracts were exchanged for the sale of the West Car Park site and the sale completed on 30 May 2023.

In July 2023, revised bank facilities were agreed with HSBC Bank plc. This extended the existing facilities to a £15m revolving credit facility which is in place until the sale of Bristol Zoo Gardens or June 2026 (if later).

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28 Comparative figures for unrestricted funds

Group prior year	Balance 1 January 2021 £'000	Incoming resources £'000	Resources expended £'000	Transfers, investment gains/(losses) pension surplus £'000	Balance 31 December 2021 £'000
Designated funds					
Staff development fund	9	-	-	-	9
Fixed asset reserve	36,326	-	(1,828)	3,872	38,370
Investment property reserve	3,622	-	-	(2,855)	767
Total designated funds	39,957	-	(1,828)	1,017	39,146
Revaluation reserve	-	-	-	-	-
Pension reserve	156	-	-	477	633
Other unrestricted funds	2,798	9,271	(9,059)	(330)	2,680
Total unrestricted funds	42,911	9,271	(10,887)	1,164	42,459

Society prior year comparatives

	Balance 1 January 2021 £'000	Incoming resources £'000	Resources expended £'000	Transfers, investment gains/(losses) pension surplus £'000	Balance 31 December 2021 £'000
Designated funds					
Staff development fund	9	-	-	-	9
Fixed asset reserve	36,326	-	(1,828)	3,872	38,370
Investment property reserve	3,622	-	-	(2,855)	767
Total designated funds	39,957	-	(1,828)	1,017	39,146
Revaluation reserve	-	-	-	-	-
Pension reserve	156	-	-	477	633
Other unrestricted funds	2,771	8,381	(8,384)	(330)	2,438
Total unrestricted funds	42,884	8,381	(10,212)	1,164	42,217

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Notes to the financial statements
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29 Comparative figures for the consolidated statement of financial activities

	Note	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000
Income:				
Donations & legacies		277	-	277
Income from charitable activities:				
Bristol Zoo Gardens	2(a)	5,346	-	5,346
Wild Place Project	2(b)	2,121	-	2,121
Conservation & research projects	2(c)		405	405
Income from commercial trading operations	3(b)	1,290	-	1,290
Investment income	3(a)	237	-	237
Government Grants	3(c)	-	140	140
Other income	3(d)	-	-	-
Total income		9,271	545	9,816
Expenditure				
Expenditure on raising funds:				
Fundraising		245	-	245
Commercial trading operations		1,213	-	1,213
Investment management costs		26	-	26
	5	1,484	-	1,484
Expenditure on charitable activities:				
Bristol Zoo Gardens		6,554	106	6,660
Wild Place Project		2,611	34	2,645
Conservation & research projects		238	320	558
Total expenditure	5	10,887	460	11,347
Net (expenditure)/income before investment (losses)/gains		(1,616)	85	(1,531)
Net (losses)/gains on investments	10	687	-	687
Net (expenditure)/income for the year	6	(929)	85	(844)
Other recognised gains/(losses):				
Actuarial (losses)/gains on defined benefit pension scheme	19	477	-	477
Net movement in funds		(452)	85	(367)
Total funds brought forward		42,911	505	43,416
Total funds carried forward		42,459	590	43,049